# GOVERNMENT OF INDIA
# CIVIL AVIATION
# LOK SABHA

UNSTARRED QUESTION NO:356
ANSWERED ON:01.03.2007
REDUCTION IN ATF PRICES
Bose Shri Subrata

**Will the Minister of CIVIL AVIATION be pleased to state:**

(a) whether the Indian Oil Corporation and other petroleum companies have decided to reduce prices of ATF on account of drop in International crude prices;

(b) if so, whether Government would impress upon the private airlines to reduce fares suo moto in line with fall in international ATF prices; and

(c) if not, the reasons therefor?

## Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION ( SHRI PRAFUL PATEL )

(a):- The Government does not have any administrative pricing mechanism in respect of ATF and Oil companies are free to fix prices based on market forces.

(b):- Domestic air fares are not regulated by the Government after the repeal of Air Corporation Act 1953. Domestic Airlines are free to charge air fares in their commercial judgement.

(c):- Does not arise in view of (b).